



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

CONTRACT N00024-76-C-0205

Supplemental Agreement and Novation

The CRUISER OLYMPIA ASSOCIATION, INC. ("the Association"), a nonprofit corporation duly organized and existing under the laws of Pennsylvania with its principal office in Philadelphia; the INDEPENDENCE SEAPORT MUSEUM ("the Museum"), a nonprofit corporation duly organized and existing under the laws of Pennsylvania with its principal office in Philadelphia; and the DEPARTMENT OF THE NAVY ("the Navy") enter into this Agreement as of this 25th day of SEPT, 2000.

(A) THE PARTIES AGREE TO THE FOLLOWING FACTS:

(1) The Navy and the Association have entered into a contract dated 12 June 1996 and designated CONTRACT N00024-76-C-0205 ("the Contract"), for the donation of the ex- BECUNA ("the Vessel"). Included in the term "the Contract" are also all modifications made under the terms and conditions of the Contract between the Navy and the Association, on or after the effective date of this Agreement.

(2) As of the date of this Agreement, the Museum is in a position to fully perform all obligations that may exist under the Contract.

(3) It is consistent with the Government's interest to recognize the Museum as the successor party to the Contract.

(4) The Museum has provided evidence that it is exempt from Federal income tax as a not for profit organization described in Section 501(c)(3) of the Internal Revenue Code of the United States of America.

(5) The Contract is subject to the Contract Disputes Act of 1978, 41 U.S.C. § 601 et seq.

(6) The parties mutually agree to additional terms and conditions to reflect current Navy policy on ship donations.

(B) IN CONSIDERATION OF THESE FACTS, THE PARTIES AGREE THAT BY THIS AGREEMENT:

(1) The Association confirms transfer of the Contract to the Museum, and

waives any claims and rights against the Navy that it now has or may have in the future in connection with the Contract.

(2) The Museum agrees to be bound by and to perform the Contract in accordance with the conditions contained in the Contract. The Museum also assumes all obligations and liabilities of, and all claims against, the Association under the Contract as if the Museum were the original party to the Contract.

(3) The Museum ratifies all previous actions taken by the Association with respect to the Contract, with the same force and effect as if the actions had been taken by the Museum.

(4) The Navy recognizes the Museum as the Association's successor in interest in and to the Contract. The Museum by this Agreement becomes entitled to all rights, titles, and interests of the Association in and to the Contract as if the Museum were the original party to the Contract. Following the effective date of this Agreement, the term "Contractor" shall refer to the Museum.

(5) Except as expressly provided in this Agreement, nothing in it shall be construed as a waiver of any rights of the Government against the Association.

(6) The Association and the Museum agree that the Navy is not obligated to pay or reimburse either of them for, or otherwise give effect to, any costs, taxes, or other expenses, or any related increases, directly or indirectly arising out of or resulting from the transfer of this Agreement.

(7) The Association guarantees payment of all liabilities and the performance of all obligations that the Museum (i) assumes under this Agreement or (ii) may undertake in the future should the Contract be modified. The Association waives notice of, and consents to, any such future modifications.

(C) THE FOLLOWING TERMS AND CONDITIONS ARE HEREBY ADDED TO THE CONTRACT:

(1) The Museum is referred to as the Donee. The Navy is referred to as the Donor.

(2) The Donee shall keep the Vessel at a safe, long-term mooring location and not permit the Vessel to be towed for any purpose other than maintenance, repair, or safety considerations without the express, written consent of the Secretary or his authorized representative.

(3) No construction, alteration, modification or other action shall be undertaken or permitted to be undertaken on the vessel which would alter the character

defining historic features of the Vessel without the prior written permission of the Navy and compliance with historic preservation laws.

(4) The Donee shall allow representatives of the Government access to all of the Donee's records, documents, and facilities, including the right to perform inspections annually or as determined necessary by the Navy, to assure the accuracy of information provided the Government and compliance with the terms of the Contract.

(5) The Donee shall comply with all Federal, State and local laws and regulations in being or that may be enacted or issued in the future, with respect to the preservation, documentation and display of the Vessel and its equipment, including those relating to public safety, protection of the environment, and historic preservation.

(6) Article VIII of the Contract regarding disputes is hereby deleted in its entirety and the following is substituted:

(a) This Contract is subject to the Contract Disputes Act of 1978 as amended (41 U.S.C. §§ 601-613) (the "Act").

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

(c) "Claim," as used in this clause, means a written demand or assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to the Contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000.00 is not a claim under the Act until certified as required by subparagraph (d)(ii) below.

(d)(i) A claim by the Contractor shall be made in writing and submitted within six years after accrual of the claim to an authorized representative of the Secretary of the Navy for a written decision.

(ii) For Contractor claims exceeding \$100,000.00, or for disputes of any amount when arbitration or alternative dispute resolution techniques are used, the Contractor shall submit with the claim a certification in the following form:

I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable; and that I am duly authorized to certify the claim on behalf of the Contractor.

(iii) The certification must be executed by an individual who has authority to bind the Contractor and has knowledge of the claim or request, its basis, and of the accuracy and completeness of the supporting data.

(e) A decision by an authorized representative of the Secretary shall be final unless the Contractor appeals or files a suit as provided in the Act.

(f) The Contractor shall proceed diligently with performance of the Contract, pending final resolution of any request for relief, claim, appeal, or action arising under the Contract, and comply with any decision by an authorized representative of the Secretary.

(7) Article II.6 of the Contract regarding insurance is deleted in its entirety and the following is substituted:

Prior to any tow of the vessel, the Donee shall procure and maintain at its own expense, without reimbursement or contribution by the Government, the following:

- (i) Tower's broad form liability insurance, including damage to the vessel, and
 - (ii) Tower's protection and indemnity insurance
- in an adequate amount for both (i) and (ii) above during any necessary tow; and maintain Marine Hull and Protection and Indemnity insurance while the Vessel is waterborne. At its long-term mooring location, the Donee may substitute for Marine Hull insurance adequate fire and extended-coverage insurance, including risks of vandalism and malicious mischief, and shall maintain general liability insurance in an amount not less than \$500,000.00 (Single limit) per occurrence. Such insurance shall at all times protect the United States Government, its agents or employees, in berthing, preparation for use, repairing or any other use. The liability insurance shall name the United States Government and Department of the Navy as additional insured and shall, as to form and insures, be subject to the approval of the Assistant Secretary of the Navy, Research, Development and Acquisition (RD&A), Insurance Examiner (ABM-PR), Department of the Navy, Washington, D.C. 20350-1000. All policies shall provide for 30 days' written notice of cancellation to the Naval Sea Systems Command, Department of the Navy, Code PEO EXW, PMS 334, 2531 Jefferson Davis Highway, Arlington, Virginia 22242-5160

(8) The Donee acknowledges that it has executed and furnished to the Government representative under this Contract, the Navy Form "Assurance of Compliance" with Title VI of the Civil Rights Act of 1964, Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended.

(9) No expense shall result to the Government as a consequence of the terms and conditions of this amended Contract.

(10) The Contract shall remain in full force and effect, except as modified

by this Agreement. This Agreement is effective as of the day and year first above written.

UNITED STATES OF AMERICA

By

Richard Danzig

Title Secretary of the Navy

Department of the Navy

THE CRUISER OLYMPIA ASSOC., INC.

By

James J. Sed

Title

Chairman

THE INDEPENDENCE SEAPORT MUSEUM

By

John Carter

Title

PRESIDENT / CEO